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TO: Council Chair Ron Menor

FROM: Francisco Figueiredo   
Office of Councilmember Ikaika Anderson

SUBJECT: NACo 2017 Legislative Conference Report  
Washington Marriott Wardman Hotel  
February 23, 2017 to March 1, 2017

## 2017 NACo Legislative Conference

I attended the NACo Legislative Conference that was held from February 25 to March 1 in Washington D.C as part of the delegation from Honolulu.

### **Saturday, February 24, 2017**

#### **First Time Attendee Orientation and Breakfast**

I attended the first time attendee orientation and breakfast which is an opportunity for first time attendees to a NACo conference to learn more about NACo, how to get involved and to navigate the conference. The National Association of Counties (NACo) is the only national organization representing county government in the United States. Its membership includes urban, suburban, and rural counties.

We heard from Roy Brooks, Commissioner from Leon County, Florida who gave us an inspirational speech about the more we engage, the more we can learn about other counties and about NACo.

Linda Langston, NACo Director of Strategic Relations, introduced herself and sat at my table. She spoke about the various programs NACo has to offer such as group purchasing which counties can purchase office supplies, cleaning supplies and other items in bulk that can help counties save money because NACo has a purchase contract with various companies. Linda also mentioned about the pharmacy benefit program that is part of the Live Healthy Community program. All four counties in Hawaii participate in the pharmacy program which provides people a prescription drug program to cover those drugs that are not covered under their plan. Another benefit of this program which is not known is that it helps to pay medication for cats and dogs helping their owners save money. It is this type of program that is a benefit to the City and County of Honolulu and other counties but needs to be publicized more. Linda mentioned that NACo has public service announcements and ads that will help the county advertise this prescription drug program.

#### **DISASTERS: A Resilient Counties Discussion on Flood Preparation and Response**

This seminar was a panel on the response by various counties in North Carolina regarding the impact and recovery from Hurricane Matthew which was called a 500 year flood. George Wood, County Manager, Wayne County, North Carolina spoke about how Hurricane Matthew destroyed Wayne County, one of the poorest counties in North Carolina and the impact it had on the community. Hurricane Matthew's massive rains and river floods hurt 30,000 businesses and caused more than \$400 million in crop losses. There were 28 storm-related deaths and the economic damage could exceed \$2 billion.

In Wayne County, agriculture is the primary source of revenue and the county is a major producer of turkey and swine. Due to Hurricane Matthew, over 4 million pounds of turkey were drowned and it took the county 4 days to clean the mess.

Other counties had to work with law enforcement and hospitals to ensure safety in the streets or to create mobile hospitals to deliver babies. Because Hurricane Matthew caused so much wide spread damage in North Carolina, 50 counties were declared eligible for federal funding from FEMA. In order to get some of the costs back to repair the counties, it was stressed that the county and state be in constant contact with the state's Congressional Delegation to help with any funding. Also, it was noted that counties should not assume that FEMA's rules and regulations are the same based on problems. In order to get the money back that was expended to repair the county, the county hired people with grant writing experience that was familiar with all the changes in Federal law and had experience writing grants in order to get money back.

## **Lunch Discussion: Addressing Homelessness in Your County**

This discussion featured Nan Roman, President and CEO of the National Alliance to End Homelessness and Matthew Doherty, Executive Director, US Interagency Council on Homelessness. The discussion explored various issues counties are facing related to homelessness, including its causes, the health care needs of homeless individuals, special populations and the overlap with the justice system. Discussion also centered on affordable and stable housing options for individuals and families and how to provide the support and services necessary to maintain housing for them.

Discussion centered on solutions do deal with homelessness and in some counties they provide "rapid re-housing" which is effective in some counties. Rapid re-housing is a concept to provide a monthly housing subsidy to those in need. This option has been extremely successful and is a low cost, high return option. Estimates cost about \$4-6 thousand per household. Those who are poor are paying more money for rent but might not have enough for food and other services. The important part is the need to keep the poor stabilized in a home and the housing subsidy can't be a one-time thing, it needs to be continuous and monthly. Another component of rapid re-housing is to provide incentive to landlords regarding the security deposit. Some counties have established a risk mitigation pool to make sure that landlords security deposit is reimbursed in case there is any damage to the unit. By having the risk mitigation pool because it provides an extra level of assurance to the landlord.

There are several ways that counties can deal with the housing issue: 1) federal government provides about \$4 billion dollars in federal assistance, HUD provides continuum and care, and 3) the Department of Veteran Affairs provides support services for families and provide rapid re-housing and they provide about \$3 million a year in funding for rapid re-housing services. There is also TANF funding. All of these options are available for the counties and cities for funding of housing services.

## **Sunday, February 26, 2017**

### **Supporting a Healthy County in a Changing Health Environment**

This discussion featured how counties, health care businesses are breaking down the traditional boundaries as interaction between health care, public health and human services interact with each other. Also discussed was how the focus of health care is changing and with the new administration could possibly affect health care and how health insurers will deal with the evolving healthcare landscape. This discussion featured Jeff Crowley, professor at Georgetown Law who was the former AIDS director under President Obama. Under his watch, AIDS coverage by health insurers was increased due to more diagnosis codes and more incentives were given for prevention. Mr. Crowley mentioned that public health is not a high priority for most State and County governments and that more focus needs to be on that issue. He mentioned that Medicaid is critical in helping the community and is integral in dealing with various health issues and epidemic that could affect counties and states.

Brian Deslodge, President of NACo, mentioned that ACA will be determined by history and that the counties are a social safety net. He mentioned that with the Trump Administration this is a pivotal change in history and that the counties need to communicate with the administration and be at the table to discuss the important issues that are affecting counties.

Lamond Daniels, Aetna Health Foundation states that Aetna looks to partner with cities in the health cities challenge to promote what counties are doing and what is working from a healthcare perspective to keep residents healthy and why collaboration and partnership is important in what we do on a daily basis.

## Large Urban County Caucus

The Lucc consists of all the Counties that meet to discuss county issues. The next Lucc meeting will be held from October 25-27 in Salt Lake City. The first speaker was Nathan Gonzales, Publisher of Inside Elections. He did a recap of the 2016 elections recap and mentioned Hillary Clinton won 489 counties and Donald Trump won 2689 counties. Hillary Clinton won in the mega Cities of 5 million people or more but that she underperformed in rural America even running 10 points behind former presidential candidate Michael Dukakis in certain areas. The 2016 Presidential Election showed that America is a divided country and that those that play by the rules are getting left behind, which translated to a Trump victory because people are tired of being ignored and not listened to.

In the 1988 Presidential Election, Michael Dukakis got 45% of the vote in rural areas and 48% of the vote in the mega cities. In 2016, Hillary Clinton got 30% of vote in rural areas and 60% in mega cities. Looking ahead to the 2018 elections, the election is having an impact on how Senators and Congressional representatives will vote. Currently, the Senate has 52 Republicans to 48 Democrats.

The 2018 elections seem favorable to Republicans because in the Senate, of the 33 seats up for grabs in 2018, 25 are held by Democrats and 8 are Republicans. Of those 25 Senate seats currently held by Democrats, 10 are in States that Donald Trump won. One example is Sen. Joe Manchin in West Virginia (D). Sen. Manchin is being told by supporters to oppose Trump at every turn on various issues but at the same time, he is hearing from 69% of voters in his state who voted for Donald Trump. So when he is presented with legislation, he has those conflicts on how to vote. He is not the only Senate Democrat to have this issue. According to Gonzalez, he feels the GOP well positioned to pick up seats in the Senate.

The real fight will be in the House where Democrats need a net gain of 24 seats and those seats are more competitive and a better opportunity for Democrats to win seats. Mid-term elections are normally a reflection on the president so 2018 could be a referendum on how President Trump is doing as president. If you look at 18 of the last 20 mid-term elections, the President's party has lost elections and the average house loss is 33%.

One thing we learned from the 2016 election is that it was unpredictable because it was widely assumed that voters would hold Republican candidates responsible for Donald Trump sins and that was not the case. Will that same theory hold for 2018? Mid-term elections are seen as a performance review on how the president is doing. Elections are about what elections are about

According to Gonzalez, the national Democrat party has a civil war brewing within its ranks as there is no current leader that is stepping up to provide director or a message for the party. This rift was evident in the 2016 election where you had Bernie Sanders, a 74 year old white guy who is not even a Democrat take Hillary Clinton to the brink of the nomination process. By Sanders running, it exposed the ideological rift in the party between the populist wing vs other wing that is too close to Goldman Sachs, Big Banks and Big Business.

The second speaker was Rodney Whitlock, Vice-President of ML Strategies. He spoke about healthcare and Medicaid in Washington DC and what to expect doing forward. Based on initial the healthcare plans he has seen, federal money for Medicaid will go away and could leave huge budget holes in state budgets. Originally, under Affordable Care Act (Obamacare) 31 states chose to expand Medicaid and 19 did not.

Under the new healthcare plan proposed by the Trump Administration, there will be a Medicaid phase down and reward those states that did not expand Medicaid. The reason for this is because Medicaid is costing the federal government \$19 trillion dollars and they want to reduce that cost. The problem is that if the federal government reduces the amount of Medicaid payment to States, how much will the States end up paying and then how much of that deficit is then passed on to the counties?

The final speaker was Matt Chase, Executive Director of NACo and he provided an update on the major issues NACo will be lobbying Congress. Due to the current political climate in Washington DC towards cutting our nation's deficit, tax reform is a major priority. Currently, there is an effort in Congress to eliminate the tax-exempt status of municipal bonds. Tax-exempt bonds were first established in our tax codes in 1913 and is a well-established government financing tool. These bonds are used primarily issued by state and local governments for infrastructure and capital needs to help pay for public projects such as the construction of schools, streets, highways, hospitals, bridges, water and sewer systems, ports, airports and other public work projects.

Between 2003 and 2012, states and counties financed \$3.2 trillion in infrastructure investment through tax-exempt municipal bonds. About 75% of public funding for transportation and water infrastructure is supplied by state and local governments. If municipal bonds were fully taxable during the 2003-2012 period, it is estimated that the financing for the 21 largest infrastructure projects would have cost state and local governments an additional \$495 billion of interest expense.

Tax-exempt bonds are a critical tool for counties in the budgeting and finance process, without the tax-exemption, counties would pay more to raise money a cost that could be borne by taxpayers through reduced spending on roads and bridges, decreased economic development, higher taxes or higher user fees.

Another issue that NACo is lobbying Congress on is to promote county surface transportation priorities. NACo hopes Congress will provide more funding for locally owned infrastructure and prioritize investments that advance economic development. NACo will also urge Congress to resolve the long term solvency of the Highway Trust Fund which provides money to State governments for road and highway improvements.

### **Using the Arts to Bolster Your County's Health and Economy: A Meeting of the NACo Arts and Culture Commission**

#### **County Case Study: Washington County, Va.**

Washington County, Va. has a rich history of preserving and supporting its art, culture and historical sites. The historic Barter Theatre, the State Theatre of Virginia, the Crooked Road, Virginia's Heritage Music Trail, along with the William King Regional Arts Center, the Abingdon Arts Depot and many other cultural sites, fairs and festivals attract visitors from all 50 states and many foreign countries.

#### **Arts & Culture at the NACo 2017 Annual Conference in Franklin County, Ohio**

Franklin County, Ohio, will give an overview of the Arts & Culture activities planned for the NACo 2017 Annual Conference.

#### **County Case Study: Guilford County, Va.**

Supported by Guilford County, N.C, ArtsGreensboro drives the health and vitality of the community by supporting arts education, celebrating the diversity of Greensboro and driving economic impact through excellence in arts programming. Since 1962, ArtsGreensboro has invested nearly \$20 million in direct financial support to the Guilford County's arts economy through its grants, facilities and programming, such as festivals and performances.

### **Culture and Arts Commission**

It was stressed that this commission has influence in the community and can be an economic driver in any city and is part of a city's DNA along with providing jobs and other economic benefits. An example given was the National Folk Festival that has been active for 82 years in various cities in the US. For the first time, this national festival was held in Greensboro, NC and showcased various acts such as a fado singer, mariachi bands, etc. Various singers and groups came from various European countries to sing and showcase their culture. The event was held over 3 days on 7 stages and was an overwhelming success and was attended by 138,000 people which provided jobs and pumped a lot of money into Greensboro's economy.

Since the event was a success, Greensboro has created a yearly local event call the National Folk Festival for the community which features various art and food vendors.

### **Americans for the Arts' National Initiative for Arts & Health in the Military**

Americans for the Arts recently developed the National Initiative for Arts & Health in the Military (NIAHM) which seeks to advance the arts in health, healing, and healthcare for military service members, veterans, their families and caregivers. This panel will discuss the current status of NIAHM in providing healthcare to our military communities, expanded opportunities for 2017, and how county governments can partner with this program.

The AANI works with Walter Reed & NEA to open up art healing centers, and works with soldiers and their families that are injured during war. They focus on the concept of "Whole Person" which is a collaborative therapy session.

More than 2.5 million troops deployed since 2001 with 48K returning wounded while others return with physical and mental trauma. This program is good for mind & body by helping through expression

The Arts help to play a powerful role in treating the psychological and physiological impact of traumatic brain injuries and the AANI works with wounded on poetry reading, which allows them to vocalize.

The Arts speak to everyone through experiences by creating meaningful relationships, and are flexible and inclusive. It also helps to serve as allies in the community to provide support for military, children, and youths at risk.

**Monday, February 27, 2017**

### **NACO General Session**

Tom Delodge, President of NACo spoke about the issues that NACo is lobbying Congress on. Some of those issues are the elimination of the interest deduction on municipal bonds, state and local tax deductions, efforts to repeal and replace Obama Care, as well as revamping Medicaid that will create federal policy that could affect cities and counties. He stressed the need to meet with the Congressional delegation and let them know about the issues affecting the county.

Lynn Scott, Vice President and General Manager, Public Sector and Labor, Aetna – AETNA's mission is to build a healthier world, starting with healthier communities by revolutionizing how to serve individual needs. We can live healthy on a daily basis by making small healthy changes at home by taking the stairs, standing up more, walking, etc.

Jim VandeHei/Axios, Co-founder and CEO, Axios; Co-founder and former CEO, POLITICO was the next speaker. He spoke about President Trump saying Trump's never been in politics; is a Liberal in

conservative's clothing who hijacked the Republican party and beat the career politicians, and offended every group out there; don't underestimate the power of the presidency.

According to VandeHei, the sanest way to understand Trump's presidency – is what do we know about him? "Not a lot of method to the madness," as Trump didn't have a governing plan or a strong ideology, which explained the especially chaotic first month of the Trump Administration. Strong trade, immigration reform and deportation, and business putting America first is what he passionately believes, and has been his guiding beliefs for the last 20 years.

Steve Bannon, who is an advisor to President Trump is what matters and his vision is so important that he feels that Bannon will be there a long time in the Trump administration. Bannon's vision is that trade wars are encouraged as tech companies are too big and powerful.

Ivanka Trump, the President's daughter and her husband, Jarrod will influence Trump's views on women's issues regarding healthcare, family, and education.

According to VandeHei, Trump makes the presidency interesting because "regular Joes" are now interested in politics. Trump, as the most media-obsessed president, won't change his ways as the darling of media as he believes any publicity is "good for brand and business." He is so focused and consumed with petty gripes and grievances that he is creating more tension between himself and the media. With Trump, don't assume anything.

He feels, that the GOP should do well in the off-year election as it's base likes what Trump, who received the highest approval among Republicans than Reagan and both Bushes, is doing. Many Trump voters proved that a vote for Trump was a vote against Hillary.

VandeHei also spoke about the issue in Europe and mentioned that transformative changes will be more uncertain similarly to the US, so expect volatility, and yet be happy when it's a "normal" day.

Establishment in business, the media, and the government has lost the faith of the American public. Power has been unleashed to the individual as illustrated by the massive influence of social media, giving people more authority and power to express themselves and to organize and influence the masses.

#### **US Senator Mark Warner, VA, Vice-Chair of Intelligence Committee**

Sen. Warner was our next speaker. He said FACT: 1,000 Russian internet trolls/hackers are working out of Moscow 24/7 to manipulate our news. FACT: Russia influenced the election.

If you google, "Hacking election," the first five search results will be that of Russian propaganda. Russia is only out for itself.

The current debate in Washington is how to make each side look bad. Lack of faith in government, business, and the press which creates economic uncertainty upset the public. There is a lot of economic insecurity and inequality where many Americans are one paycheck away from poverty, is more prevalent now than ever.

Our current capitalist system is not working for enough people. Free enterprise and value work so workers can get ahead to provide food, safety, and resources for their families.

"Debate in Washington is dead."

In business, if we only criticize competitors without introducing new products, we would cease to thrive; whereas in politics, criticizing competitors without introducing solutions for change is fine/OK/expected.

### 3 Focus Points that Senator Warner stressed:

- 1) Growing up we were taught social contract in our 30s and 40s and that if we work at the same firm for most of our lives, we will be taken care of. Now, that has changed and there is a transformation of the workforce. 1/3 of American workforce don't have health benefits, they become a 1099 independent contractor. Most people now work part-time, 2-3 income streams and this group has no social security insurance, disability insurance, workers' comp insurance. Sen. Warner feels that this 1/3 of the workforce will go to 50% by 2030 and they would like to create some sort of portable health insurance that you can take with you from job to job.
- 2) Provide some sort of economic incentive for business to train labor workers when automation comes in. The number one job for males is driving and that most government programs need to be relooked at.
- 3) He worries about the current state of business in the United States. Before, the average person would hold stock for eight years, now it's four months. There should be incentives to business to think long-term and hold their employees for more than 3 years.

### **Healthy and Inclusive Neighborhood Development: A How To Discussion for Elected Officials**

This session explored federal and local tools for advancing strong housing policies that promote equitable development and are responsive to local community needs. The counties play a key role in promoting regional collaboration in economic mobility. The discussion centered around the ability of the counties to provide that housing. The Department of Housing and Urban Development allows each county to define acquisition and to partner with HUD to help with housing/homeless issues. An example given was that the city of Seattle and King County teamed up together to purchase 78 townhouse units to provide housing for residents. This townhouse project was supposed to be sold by the owner and turned into luxury housing but instead, the King County stepped in to purchase the property from the owner to help with the housing and homeless crisis in Seattle. The message this purchase sent was that cities and counties need to address conditions in poor neighborhoods and look to revitalize those neighborhoods in order to spur economic growth.

Need to develop new housing units, increase accessibility for disabled and single moms. Enforce fair housing laws, coordinate efforts with other agencies.

When they interviewed people who were homeless, it was found they were from the community but lost jobs, had poor health etc and need help. Pull coalition together of human services, development services to help. Broad discussion of what housing meant, look at micro homes.

### **Tuesday, February 28**

#### **NACo General Session**

2017 Achievement Awards: allows counties to apply and let them know what they are doing

Paul Campbell, UnitedHealthCare Vice President: solutions led by counties; led by multi sector collaboration ; PPP (P3)

Rep. Rob Bishop (R-Utah) spoke about a paradigm shift in the way Washington thinks because the Trump Administration is looking at changing the rules and regulations that were passed in the last two years of



the Obama Administration. Representative Bishop focused his speech on the antiquities act which allowed former President Obama and other government officials to declare certain lands or waters to be protected without much discussion from the community that is being affected. Essentially, a bureaucrat in Washington DC making decision and states and communities don't matter.

Sen. Amy Klobuchar (D-Minn) was the next speaker and she was the first woman elected to the US Senate from Minnesota and feels that the US Senate will play an important role in negotiating bills that the Trump Administration will introduce. The Senate has been seen as a place of compromise for many bills. One issue that she wants to address is the opioid abuse that is happening in rural states and areas. In Minnesota, it has become a big issue and doesn't feel that Congress should be passing the burden always down to the counties.

Some issues that Sen. Klobuchar feels the Senate will tackle is to fast track an infrastructure bill to help repair and repave our nations' roads and bridges and estimates to pay for this could be about \$300 billion over 5 years. Reform the tax code and help to bring back money that is abroad from various US companies.

Sen. Klobuchar feels that the issue of broadband must be included in any infrastructure plan. One of her concerns is to make it easier for rural areas and tribal lands to get easier access to broadband. Another issue that is important to her is tax policy and she feels that the Marketplace Fairness Act gives local businesses the ability to compete against out of state retailers by forcing them to collect taxes. Helping to improve our workforce by providing more incentives in student loans by having a company pay off the student loan if the worker stays 4 to 5 years at the company. This will help to provide stability in the workforce for the employer and employee.

The next speaker was Mike Beschloss, a widely recognized NBC News Presidential historian who has written nine books on various presidents. He gave us anecdotes on his various interviews with presidents and various friends and family associated with the president he is writing about.

What can presidential history tell us about presidents?

Lyndon B. Johnson – presidential library opened, but not many visitors came to the library when it first opened. The library was across from the University of Texas and in order to increase attendance at the library, Johnson offered free access to the restrooms and drinking water fountains during University of Texas football games and as a result, the LBJ library was the best attended presidential library in 1971.

"If you wait 2 decades to write biographies on presidents, you get more information about the private sides/lives of presidents." Beschloss also mentioned there are qualities of leadership in great presidents. These are the following qualities:

- 1) Guts – To be a leader, need to have a vision on what it takes to deal with low approval ratings, how to deal with making unpopular decisions.
- 2) Explain why your idea is the best – Lincoln: Emancipation Proclamation was unpopular at the time; won election due to his persuasive skills
- 3) Having a sense of history/historical perspective. Using the past can guide us through current issues.

- 4) Ability to make deals and negotiate with people: conflict due to a difference of opinion can sometime leads to the best policymaking decisions/policies.

### **NACo Board of Directors Meeting**

President Bryan Deslodge called the meeting to order at 1:46 p.m. The Honorable Christian Leinbach gave the invocation and the Board recited the Pledge of Allegiance. Board members signed in on attendance sheets at the back of the meeting room. A quorum was present.

President Deslodge announced one candidate for NACo Second Vice President, Commissioner Mary Ann Borgeson, Douglas County, Neb.

### **Consent Agenda**

The minutes of the NACo Board of Directors meetings in Leon County, Fla. during the Fall Board of Directors Meeting on December 9 - 10, 2016 as amended were approved.

Nominations to the NACo Board of Directors were approved.

- Hon. Jhonathan Aragon, Commissioner, Valencia County, N.M.
- Hon. Joel Bousman, Commissioner, Sublette County, Wyo.
- Hon. Joe Briggs, Commissioner, Cascade County, Mont.
- Hon. Jon Burrows, Judge, Bell County, Texas
- Hon. Janet Carlson, Commissioner, Marion County, Ore.
- Hon. Richard Forster, Supervisor, Amador County, Calif.
- Hon. Amy Fowler, Commissioner, Waldo County, Maine
- Hon. Larry Givens, Commissioner, Umatilla County, Ore.
- Hon. H. Scott Harnsberger, Treasurer, Fremont County, Wyo.
- Hon. Arryl Kaneshiro, Councilmember, Kauai County, Hawaii
- Hon. Nancy Thrash, Commissioner, Lamar County, Ga.
- Hon. Oscar Villegas, Supervisor, Yolo County, Calif.
- Hon. Jim Zwetzig, Commissioner, Morgan County, Colo.

**Membership Standing Committee:** The Honorable Tim McCormick, Chair, noted that the committee met the previous day and discussed the Live Healthy program and membership. Membership levels are increasing and NACo is targeting several states that have the largest numbers of nonmembers.

The committee discussed two new member benefits with Institute for Building Technology and Safety (IBTS) and recommend them to the Board of Directors for approval.

He also asked Board members to take part in a new membership campaign by signing letters to non-members in either nearby counties or in counties with similar demographics to each board member. NACo staff distributed these letters and asked Board members to also leave a personal note on the letter via a post-it note.

**Information Technology Standing Committee:** The Honorable Chris Rodgers, Vice Chair, reported that the committee met on Sunday, Feb. 26<sup>th</sup>. He noted the speakers and topics that were covered as well as the introductions to NACo's new IT Director, Jeff Morningstar and Dr. Alan Shark of Public Technologies Institute.

The committee also discussed the history and charter of the IT committee, including the original purpose and how that might be evolving. As a proposed start to the discussion of rewriting the committee structure, they will focus on:

- **Inform** (*leaders*)
- **Educate** (*on the importance of IT*)
- **Learn** (*best practices from each other*)
- These will then **Influence** (*the direction and behavior of others*)

During the Legislative Conference, many committee members also participated in the CIO Forum and Tech Summit. This year Public Technologies Institute (PTI) was a co-host of the events. There was a good turnout for the entire summit and most of the programming was livestreamed.

**Programs and Services Standing Committee:** The Honorable Keith Carson, Chair, reported that the committee met the previous day and discussed the County Leadership Academy and the rollout of the new Counties Futures Lab. The committee also took part in some live polling that will focus the work of the committee and discussed engaging members in training and leadership. Following this discussion, the committee plans to eventually provide feedback and recommendations to the Board. NACo's new CSI Director, Cheryl Burnett was introduced to the committee as well.

The Board accepted all the Standing Committee reports.

#### **NACo Board Action**

**Audit Committee Report and Interim Election:** The Honorable Mike McGinley, Chair noted that there was a vacant position on the Audit Committee for the unexpired term ending July 2017. President Desloge asked for nominations for this position, and Director Dennis O'Loughlin nominated Mr. Eugene Smith.

The Board elected Mr. Smith to serve on the Audit Committee for the unexpired term ending July 2017. Director McGinley reported that the Audit Committee met twice prior to the Board meeting and reviewed the unaudited financial statements for 2016. The committee also reviewed policies, procedures, receipts, expense reports and documentation for the NACo Executive Committee and Executive Director. Sample expenditures were randomly selected and tested from the 2016 fiscal year. The committee also reviewed the charges to the NACo Executive Department credit cards, and charges from hotels associated with NACo conferences and meetings. The committee found no issues with the samples selected.

The committee also discussed the 2017 audit plans; a list of priorities for internal areas of focus will be developed by staff and shared with the Audit Committee as soon as possible.

The Board accepted the Audit Committee report.

**Finance Standing Committee Report:** First Vice President Roy Charles Brooks, Chair reported that for the 12-month period ending 12/31/16, revenues grew a modest 2.3%. Although FSCorp Activities remains the largest contributor to revenues constituting 43% of revenues, the largest growth rates came from 6.5% growth in Conference and Meeting revenue of \$2.5mil and 18.7% growth in Grant Funding revenue of a little over \$1mil. NACo's bottom line was enhanced by a \$1.2mil positive change in investments and thus exited the year with a \$1.5mil contribution to net assets. This year end contribution to net assets are a full \$2.95mil above the budgeted \$1.4mil planned spend down of reserves.

The committee was introduced to Ms. Alicia Dorsey - NACo's New Director of Finance, she is a CPA with a Masters in Accounting.

NACo is currently seeking a relationship with a new Investment Advisor to manage the Reserve Portfolio. During 4Q16, NACo issued a Request for Proposal for an Investment Advisor and received 19 responses. The Finance Committee heard presentations from the top three finalists. After a question and answer period following each presentation, the committee ultimately voted to recommend that the Executive Committee begin negotiations with SEI to establish a 3-5-year investment relationship. SEI is headquartered in Philadelphia, Pa. and currently manages a \$20B investment portfolio. Finance Committee members were pleased with their extensive portfolio of Non-Profit organizations. The committee will provide an update as soon as a contract has been finalized.

Director Glen Whitely asked that the motion to accept this report also included a motion to allow the Executive Committee to move forward with negotiations for the investment firm.

The Board approved this motion.

### **Contract Approvals**

#### *CVS Caremark Renewal*

Mr. Brian Namey, NACo's Public Affairs Director summarized the amendments to the MOU and contract with CVS for the Live Healthy program including extending the contract through December 31, 202 and changing the per prescription marketing reimbursement fee that NACo would receive. CVS will eliminate the sponsorship money NACo receives from CVS and instead revise the marketing fee per prescription. From the new marketing fee NACo will allocate 35 cents to NACo and 5 cents to participating state associations in addition to the current allocations. The proposal would result in NACo receiving 45 cents and endorsing state associations receiving 45 cents per prescription.

Director Mike McGinley asked about how contracts will change with each state association. Mr. Namey responded that NACo will work with each state association to amend their specific agreements with NACo to reflect the new allocation amount. In addition, NACo will communicate an update and provide an opportunity for participating counties to opt-out.

The Board approved the CVS Caremark contract renewal and update.

#### *IBTS Member Benefit Programs*

Mr. Namey also discussed the two new member benefits being offered through IBTS.

- GovMotus Bronze Level – would give access to planning and permitting software for free for up to 3 users per NACo member county. NACo received a 5-year commitment from IBTS. There is a fee of \$7.50 per permit which is assessed to the individual seeking the permit. Counties can choose higher levels of software for a cost.
- MOU for Pilot Program for remote inspections – this pilot would be in 20 counties in east Texas. The program would be evaluated after one year. If successful, the program would add value to counties that cannot do in person building inspections, and can do remotely without hiring professionals. It would allow small rural counties to offer inspection services at a reasonable cost.

The Board approved both MOUs.

## **Reports and Project Briefings**

**President's Report** - President Desloge reminded the Board about his initiative '100 Brilliant Ideas at Work' and encouraged them to have their counties apply through the achievement awards process. He also announced three new At-Large Board appointments:

- County Executive Kathleen Jimino, Rensselaer County, N.Y.
- Commissioner Rodney Ellis, Harris County, Texas
- Council Member Dru Mamo Kanuha, Hawaii County, Hawaii

He noted that he finalized appointments to the Nominating Committee and Credentials Committee for 2016-2017.

**Executive Director's Report** - Mr. Matt Chase gave an overview of some of the new resources NACo has developed and placed online at <http://www.naco.org/2017-naco-resources>. He also reviewed some of the advocacy work staff have been engaged in including; ACA repeal and replacement, Medicaid block granting, immigration, tax reform, infrastructure, regulation rollbacks, SRS funding and municipal bonds. He also noted some of the key activities and meetings NACo has had and was working on for the coming weeks, including congressional testimonies, hill briefings, former county official meetings and more. Mr. Chase also discussed some of the changes within NACo including the rebranding of the research department into the Counties Futures Lab, as well as the staff changes within the Legislative Department.

The Board discussed muni-bonds and some of the issues and changes that might take place. Director Mark Luttrell asked about the argument for reducing muni-bonds and how members should respond.

Mr. Chase explained that the issue began with the Simpson Bowles plan and \$20bil in increased federal revenue, the perception is that only the wealthy purchase muni-bonds, but it is more of a middle America financial plan because of its safety and predictability. Muni-bonds are a \$3.7tril industry and support 75% of America's infrastructure. Members should remind their congressional representatives that getting rid of tax exempt municipal bonds will increase property taxes for school construction, infrastructure, hospitals and so on. Municipal bonds are not federally regulated; these are the original P3; a market driven system that allows citizens to dictate how much debt they are willing to take on. If changes go into effect through the tax code, then it will impact existing bonds.

Director Chip LaMarca spoke about the municipal bonds that Broward County had recently approved and that in individual meetings with congressional representatives, people seem to be ok with the current system. He also noted that there are only 74 members on the 'dear colleague' letter, and asked where the disconnect was.

Mr. Chase informed the board that NACo shared the 'dear colleague' letter with state associations to put pressure on individual members. The disconnect is between some of the larger corporate tax rates and this state and local tax issue.

Director Larry Johnson asked about teaming up with Wall Street.

Mr. Chase affirmed that NACo is part of a new coalition called "Don't Mess with Our Bonds" that includes public and private entities.

**iCivics Update** - Mr. Namey gave a brief overview on the progress of the iCivics curriculum and online game update. This includes not only the Counties Work game with upgraded features and more customization options but also includes a classroom guide for members and expanded curriculum materials for middle and high school students. The project upgrade is on track for a launch during National County Government Month in April. NACo will promote this digitally including through social media channels.

**FSC Update** - Mr. Bill Jasien, Executive Chairman, NACo FSC, gave an update on the U.S. Communities Purchasing Alliance with some of the new contracts and partners that have come on board including, Rehrig Pacific a firm manufacturing customized trash containers, Knowledge Services for temporary employees and Amazon Business. Along with office supplies, Amazon Business offers other categories of products covering musical instruments, animal supplies, science and lab equipment, etc. He also noted that Amazon Business is looking at how they can partner with small businesses across the country. Director Kathryn Dodge asked about shipping issues in the past to Alaska. Mr. Jasien responded that they are still working on this issue. Director Grant Veeder gave a limerick.

## **The NACo Board Convened the Resolutions Committee**

### **Committee Reports**

***Agriculture and Rural Affairs*** – 1 resolution passed unanimously in committee  
Chair, Bob Fox

- Proposed Resolution on Preserving Rural Development Programs in the Farm Bill

The Resolutions Committee approved the report with no discussion.

***Community, Economic and Workforce Development*** – 4 resolutions passed unanimously in committee  
Chair, Renee Price

- Proposed Resolution on FY 2018 Appropriations for the U.S. Department of Housing and Urban Development
- Proposed Resolution on Affordable Housing
- Proposed Resolution to Amend the U.S. Department of Housing and Urban Development (HUD) Emergency Solutions Grant (ESG) Legislation
- Proposed Resolution Supporting Reauthorization and Appropriations for the Department of Commerce's Economic Development Administration

The Resolutions Committee approved the report with no discussion.

***Environment, Energy and Land Use*** – 3 resolutions and clarified a typo in first resolution, noted in bold and underlined

Chair, Gary Moore

- Proposed Resolution in Support of Liquid Natural Gas Infrastructure and Export Facilities Nationally
- Proposed Resolution Supporting Codification of EPA's Integrated Planning Framework and Related Demonstration Projects
- Proposed Resolution in Support of Affordable Beach Renourishment Projects

The Resolutions Committee approved the report with no discussion.

***Finance, Pensions and Intergovernmental Affairs – 2 resolutions***

Chair, Chip LaMarca

- Proposed Resolution Supporting the Reauthorization of the Volunteer Responder Incentive Protection Act
- Proposed Resolution Supporting the U.S. Election Assistance Commission

The Resolutions Committee approved the report with no discussion.

***Health - 1 resolution***

Vice Chair, Mary Ann Borgeson

- Proposed Resolution on the Importance of the ACA and Medicaid Expansion

The Health Steering committee also considered an emergency resolution, titled "Proposed Resolution on Federal Policy Changes Related to Immigrant Eligibility for Federal Benefits" originally sent to the Human Services Steering Committee. Although the Health Committee approved the resolution, the committee of original jurisdiction, the Human Services and Education Committee, tabled the resolution until July to allow for additional policy development and clarification.

Because the two committees came to different outcomes, the two policy committee chairs discussed the resolutions with the sponsors and have agreed to allow it to be tabled until the Annual Conference. The Health Steering Committee and Human Services and Education Steering Committee withdrew the resolution from the report and from consideration by the resolutions Committee until July to allow for additional policy development and clarification.

The Resolutions Committee approved the report with no discussion.

***Human Services and Education – 4 resolutions***

Chair, Nancy Sharpe

- Proposed Resolution Urging Congress to Maintain County Child Welfare Flexibility and Funding
- Proposed Resolution Supporting Two-Generation Efforts to Reduce Poverty
- Proposed Resolution to Address and Stop Sexual Abuse in Families
- Proposed Resolution to Clarify and Expand NACo Policy on the Supplemental Nutrition Assistance Program (SNAP)

The Hon. Nancy Sharpe agreed with the solution presented by the Health Steering Committee to table the emergency resolutions until the Annual Conference and noted its appreciation of the collaboration between committees.

The Resolutions Committee approved the report with no discussion.

***Justice and Public Safety – 2 resolutions passed unanimously in the committee***

Chair, Sally Heyman

- Proposed Resolution on Improving Pretrial Justice Process
- Proposed Resolution Supporting the Reauthorization of the Assistance to Firefighters Grant Program, Including the Safer Grant Program

The Resolutions Committee approved the report with no discussion.

***Public Lands* – 4 resolutions**

Chair, Tommie Martin

- Proposed Resolution to Support Bureau of Land Management Foundation Act or Successor Legislation
- Proposed Resolution to Repair and Maintain the Public Land Survey System
- Proposed Resolution in Support of the Outdoor Recreation Act
- Secure Rural Schools; Approval of Members for Resource Advisory Committee

The Resolutions Committee approved the report with no discussion.

***Telecommunications and Technology* – 1 resolution passed unanimously in the committee**

Chair, Joe Briggs

- Proposed Resolution to Clarify that NACo's Telecommunications and Technology Policies and Practices Apply to "Small Cell" and "DAS" Technologies and to Oppose Efforts to Preempt County Rights at the Federal or State Level

The Resolutions Committee approved the report with no discussion.

***Transportation* – 5 resolutions passed unanimously in the committee**

Chair, Peter McLaughlin

- Proposed Resolution in Support of Fully Funding Federally Mandated Local Airport Security
- Proposed Resolution in Support of Direct Funding to Local Governments for the Improvement and Maintenance of Local Roads in America within the Proposed Infrastructure Spending Bill
- Proposed Resolution to Support Federal Pilot Program for the Remote Air Traffic Control Tower Program
- Proposed Resolution to Continue Funding of Essential Air Service (EAS) and the Small Community Air Service Development Program (SCASDP)
- Proposed Resolution in Support of a Federal Infrastructure Package Which Contains Robust Dedicated Funding, Innovative Incentives for Private Investment and Promotion of County-Friendly Financing Tools such as Tax-Exempt Municipal Bonds

**Caucus Reports**

Rural Action Caucus - Chair, J.D. Clark spoke about the record-breaking attendance at the 2016 RAC Symposium in Leon County, Fla. where they examined, and developed advocacy strategies around a number of key issues facing rural counties including chronic poverty and infrastructure investment. The Caucus had almost 200 members participate in the previous day's Business Meeting, and will have a "Day of Action" following the Legislative Conference with meetings with the U.S. Department of Agriculture, and House and Senate Agriculture Committees.

Large Urban County Caucus – Chair, Jim McDonough reported on the LUCC business meeting the previous day where they received an overview of the 2016 elections and how it is impacting the way Congress and the administration move forward on issues. LUCC also discussed the potential for the 2018 election and how it could change the dynamics in Washington D.C. This year LUCC will be focusing on how to better engage LUCC members to assist in NACo's advocacy efforts and help move the needle on



key issues. The 2017 LUCC Symposium is slated to be held in Salt Lake County in October, and the LUCC leadership team is working with NACo staff and Salt Lake County to program the event.

Western Interstate Region – President Joel Bousman, assumed the role of president in January. The WIR Board met the previous day to discuss topics important to western counties including; the Endangered Species Act and the new challenges and opportunities for modernizing it, the Antiquities and Monument Act and its legal challenges and how it impacts counties as well as arctic issues and how they impact the nation.

The WIR Board also is working to clarify its articles of association and bylaws. The 2018 and 2019 WIR conference locations have been determined for Blaine County, Idaho and Spokane County, Wash. respectively. This year's WIR Conference will be May 24-26 in Deschutes County, Ore.

Director Mike McGinley asked the Board to recognize Director John Prinkki, Commissioner Carbon County, Mont. who is retiring after over 4 years of participation on the NACo Board.

There being no further business the meeting adjourned at 3:36 p.m.

City Council  
City and County of Honolulu

## CLAIM FOR TRAVEL REIMBURSEMENT

Date: March 9, 2017

Traveler: Francisco Figueiredo

Event: 2017 NACo Legislative Conference

Location: Washington, D.C.

Dates: From February 24, 2017

To March 1, 2017

Description	Amount	Notes:
1. Registration Fee		
2. Airfare		
3. Hotel		
4. Meals		
5. Ground Transportation	29.20	Round trip transportation from airport to hotel
6. Tips		
7. Other	60.00	Baggage fee Delta Airlines (2 bags)
Other		
Other		
8. Adjustment		
TOTAL REIMBURSEMENT	89.2	

This is to certify that the above data, based upon receipts submitted to Council Administrative Support Services via a CCLTRVL02 form, is accurate. Further, I am claiming reimbursement for expenses associated with a trip in which City business was conducted and personal funds were used to advance payment.

  
Signature of Traveler

March 9, 2017

Date